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AS AT THAT TIME THE TWO SIDES WERE GUIDING THEMSELVES BY THE DESIRE TO REACH A WORKABLE SOLUTION, THEIR ATTITUDE MADE IT POSSIBLE TO ARRIVE AT AN AGREEMENT. IN EFFECT, A MULTINATIONAL POLISH DEBT REPAYMENT PROTOCOL WAS SIGNED IN PARIS ON 27 APRIL 1981. THEREAFTER, THE PROTOCOL LAID THE BASIS FOR THE POLISH GOVERNMENT AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA TO CONCLUDE A BILATERAL DEBT RESCHEDULING AGREEMENT AND TO SIGN IT FINALLY ON 27 AUGUST 1981. IN THE PROTOCOL OF 27 APRIL 1981 PROVISIONS WERE

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MADE FOR THE RESCHEDULING TALKS TO CONTINUE IN ORDER
TO DEAL WITH MATURITIES FALLING DUE FOR REPAYMENT IN THE
COURSE OF THE FOLLOWING YEARS. IN ACCORDANCE WITH THE
PROVISIONS, THE POLISH GOVERNMENT DELEGATION BEGAN
NEGOTIATING WITH THE CREDITOR COUNTRIES IN PAIRS IN THE
AUTUMN OF 1981 TO RESCHEDULE THE MATURITIES WHICH WERE
FALLING DUE FOR REPAYMENT IN THE COURSE OF 1982.
HOWEVER THE LATTER TALKS WERE SUSPENDED BY THE
GOVERNMENTS OF THE CREDITOR COUNTRIES. THE SUSPENSION
WAS NOTIFIED TO THE POLISH SIDE BY THE PARIS CLUB CHAIRMAN
IN HIS LETTER OF 14 JANUARY 1982.

THE SUSPENSION OF THE NEGOTIATIONS TOOK EFFECT WITHOUT REGARD FOR THE POLISH PRIME MINISTER'S OFFICIAL STATEMENT IN HIS SPEECH OF 13 DECEMBER 1981 IN WHICH HE SAID THAT POLAND WOULD HONOR ITS OBLIGATIONS UNDER THE CONCLUDED INTERNATIONAL AGREEMENTS. STATEMENTS TO THE SAME EFFECT WERE REPEATEDLY DELIVERED BY THE POLISH GOVERNMENT OFFICIAL SIN THE COURSE OF 1982. THUS NOT ONLY WAS THE POLISH GOVERNMENT REAFFIRMING THE READINESS TO DISCHARGE ITS DUTIES BUT LIKEWISE IT WAS FULFILLING THEM SO LONG AS IT WAS PRACTICALLY POSSIBLE. IN ADDITION TO THE SUSPENSION OF THE TALKS, SOME GOVERNMENTS OF THE CREDITOR COUNTRIES WERE MAKING OTHER MOVES AGAINST POLAND, INCLUDING RESTRICTIONS ON CREDITS. THE MOVES CAUSED THE AMOUNT OF CREDITS AVAILABLE TO POLAND TO DIMINISH TILL FURTHER AND THE COUNTRY'S PAYMENT SITUATION TO BE AGGRAVATED STILL MORE SERIOUSLY. THEN CAME A SHARP DECREASE IN THE TOTAL AMOUNT OF CONVERTIBLE CURRENCY CREDITS AVAILABLE TO POLAND FROM DOLS 8.669 BILLION IN 1980 AND DOLS 4.930 BILLION IN 1981 TO DOLS 1.474 BILLION IN 1982 AND DOLS 0.565 BILLION IN 1983. IN THE FINAL RESULT, THE POLISH SIDE WAS PREVENTED FROM CARRYING OUT THE OBLIGATIONS AS SET FORTH IN THE ABOVE DESCRIBED

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BILATERAL AGREEMENTS PURSUANT TO THE PROTOCOL OF 27 APRIL
1981.

THE CREDIT RESTRICTIONS BROUGHT ABOUT ALSO A RAPID
DECLINE IN TRADE BETWEEN POLAND AND THE CREDITOR

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COUNTRIES. POLAND'S TRADE WITH THE UNITED STATES OF AMERICA
SHRANK FROM DOLS 1.283 MILLION IN 1980 TO DOLS 486 MILLION
IN 1983.
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